

Official Policy
Single Business Tax

Adopted by Board of Directors May 10, 2005

The Ann Arbor Area Chamber of Commerce does not support Governor Granholm's Single Business Tax proposal because it would place a greater tax burden on service industries. The Governor's proposal appears to run counter to other efforts to grow the service sector in Michigan.

The Ann Arbor Area Chamber of Commerce and the Ypsilanti Area Chamber of Commerce established a joint Single Business Tax (SBT) taskforce in early 2005 to evaluate how Governor Granholm's Single Business Tax proposal could impact Chamber members and the Washtenaw County business community.

The business demographics of Washtenaw County would indicate our current make up and future growth is concentrated in the service industries. This would suggest that our County would pick up a larger proportion of the tax burden under this proposal.

The Governor's proposal would create a needed benefit for manufacturers, however it would do so by placing a greater tax burden on service related businesses by placing a greater emphasis on taxation of profits and compensation.